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BEFORE THE UTAH AIR QUALITY BOARD

In Re Approval Order – PSD Major :
Modification to Add New Unit 3 at :
Intermountain Power Generating :
Station, Millard County, Utah :
Project Code: N0327-010 :
DAQE-AN0327010-04 :

**DEVELOPMENT COMMITTEE’S STATEMENT IN RESPONSE TO
STIPULATED MOTION TO CONTINUE PROCEEDINGS**

I. INTRODUCTION

The IPP Unit 3 Development Committee (the “Committee”), through its undersigned counsel, submits the following Statement in Response to the Stipulated Motion to Continue the Proceedings jointly submitted by the Utah Chapter of the Sierra Club (“Sierra Club”) and the Executive Secretary of the Utah Air Quality Board (“Executive Secretary”). As set forth herein, the Committee concurs in the Executive Secretary and Sierra Club’s request to stay this adjudicative proceeding

and to continue all deadlines and hearings¹ *sine die*. The Committee requests, however, that to the extent the Stipulated Motion is granted, any Order issued by the Board include a clear and simple procedural mechanism for lifting or otherwise obtaining relief from the stay .

II. BACKGROUND OF THE UNIT 3 PROJECT

The Committee is comprised of a group of utilities that has an exclusive contractual right to develop and own a third electrical generating unit, known as Unit 3, at the Intermountain Power Project (“IPP”). The primary participants in the Committee are Utah Associated Municipal Power Systems (“UAMPS”) and PacifiCorp. UAMPS is a governmental agency that provides comprehensive wholesale electric energy on a non-profit basis to community-owned power systems in the Intermountain West. UAMPS’s membership includes utility systems in Utah and six other western states. PacifiCorp is an integrated electric utility that provides electrical service to 1.7 million customers in Utah and five other western states through its operating divisions, Rocky Mountain Power and Pacific Power.

IPP, including Units 1 and 2 and the site for Unit 3, is owned by the Intermountain Power Agency (“IPA”), a political subdivision of the State of Utah organized pursuant to the Utah Interlocal Cooperation Act. The City of Los Angeles Department of Water and Power (“LADWP”), acts as IPA’s operating agent for operation and maintenance of IPP Units 1 and 2. The actual operation of Units 1

¹ With the exception of the November 12, 2007 hearing regarding Integrated Gasification Combined Cycle (“IGCC”) at the Sevier Power Company facility, as set forth in the Stipulated Motion.

and 2 is performed by the Intermountain Power Service Corporation (“IPSC”), which is controlled by IPA and LADWP. As the potential future operator of Unit 3, IPSC was designated to hold Approval Order DAQE-AN0327010-04 (the “AO”) for Unit 3 for the benefit of the Committee.

On July 18, 2007, UAMPS and PacifiCorp provided joint notices of claims to IPA and LADWP, charging that IPA and LADWP have unlawfully interfered with their exclusive right to develop Unit 3 at IPP.

Soon thereafter, on or about July 20, 2007, IPSC’s legal counsel of record in this proceeding, Blaine Rawson and his firm of Holme Roberts and Owen LLP, withdrew as legal counsel in the defense of the AO. In the absence of counsel for IPSC, the Committee, which is a real party in interest with respect to the AO, thereupon directed its undersigned counsel to enter an appearance in this proceeding directly on behalf of the Committee.

To clarify its role in this proceeding, the Committee has made multiple requests upon IPA and LADWP to cause IPSC to sign the UDAQ form entitled “Ownership Change/Company Name Change Notification,” so the Committee may file the executed form with UDAQ and make it clear who holds the AO and in what capacity. To date, IPSC has not provided the executed form as requested. The Committee continues to request that IPA, LADWP and IPSC provide the requested form.

III. CONCURRENCE IN THE STIPULATED MOTION

The Committee concurs that a stay of this adjudicative proceeding and continuance *sine die* of all deadlines and hearings as requested in the Stipulated Motion for Continuance is appropriate and necessary under the circumstances.

However, the Stipulated Motion is deficient to the extent it proposes no mechanism for the resumption of this adjudicative proceeding. The Committee, therefore, respectfully requests that the Board permit any interested party to seek limited relief from or lifting of the stay upon motion.

IV. CONCLUSION

For the foregoing reasons, the Unit 3 Development Committee respectfully concurs in the Stipulated Motion to Continue Proceedings to the extent and on the basis described above.

RESPECTFULLY SUBMITTED this 29th day of August, 2007.

VAN COTT, BAGLEY, CORNWALL
& MCCARTHY, P.C.

By: /s/ H. Michael Keller
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*Attorneys for IPP Unit 3 Development
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CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of August, 2007, I caused a copy of the foregoing to be served by electronic mail to the following:

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